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Federal Communications Commission  
Washington, D.C. 20554

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In the Matter Of  
IMPROVING COMMISSION PROCESSES

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PP Docket No. 96-17

**NOTICE OF INQUIRY**

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By the Commission:

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## I. INTRODUCTION

1. Over the past two years, the Commission has endeavored to improve the speed and quality of our service to the public, reduce the burden of unnecessary regulation, and use our resources more efficiently. In this Notice of Inquiry, we seek information to assist in our continuing efforts to reform. While we have made substantial progress toward achieving certain goals, we recognize that much more can be done. Accordingly, we present here, for comment, ideas for further reform that build on past improvements and seek suggestions from all quarters on additional ways to streamline or otherwise improve our processes. We invite our customers -- the public, the industries we regulate, former FCC Commissioners and employees, and the Bar, to take full advantage of this opportunity to participate in this proceeding and we welcome any suggestion, from a minor change to a major overhaul, that has the potential to improve our service to regulated industries and the public.

2. In addition to the issue of how the Commission may improve its processes in light of current conditions, the enactment of the Telecommunications Act of 1996<sup>1</sup> adds another, perhaps even more important, dimension to our procedural reform effort. The Act, when fully implemented, will substantially change the way many telecommunications companies are regulated. Clearly the Commission must tailor its processes to not only account for, but indeed to maximize, the benefits intended to flow from the implementation of the substantive provision of the Act. Implementation of the 1996 Act will be the most important ongoing policymaking effort by this Commission for the foreseeable future. This effort, despite its magnitude, would not be complete were we to ignore the procedural and other administrative changes called for by the changes we will make to our substantive rules. We therefore intend to utilize this docket as the vehicle whereby interested parties may focus their attention on the procedural changes made necessary by implementation of the 1996 Act, and we specifically

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<sup>1</sup> Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996).

invite interested parties to address themselves to this important new aspect of reinventing the FCC.

3. We realize that many of the proposed initiatives could require significant investment of financial resources by the Commission. Some proposals could be approved and implemented quickly, while others would require time to develop implementation plans, conduct rulemaking(s), and/or earmark necessary funding. Current budgetary constraints and changes requiring funding present us with an additional challenge. Consequently, we seek comments and suggestions on ways to fund these proposed initiatives.

## II. BACKGROUND

4. In February 1994, the Commission appointed a Special Counsel to the Commission for Reinventing Government to examine what steps the Commission had taken, and could take in the future, to better serve the public. A year later, the Special Counsel issued a detailed report to the Commission entitled "Creating a Federal Communications Commission for the Information Age".<sup>2</sup>

5. Among other things, the Report outlined specific measures the various Bureaus and Offices had undertaken to eliminate backlogs, streamline processes, and reduce unnecessary regulatory burdens. The Report also offered a long list of legislative and administrative proposals -- some of which have since been adopted (i.e. Codifying forbearance, privatizing ship inspections, and extending the terms of television licenses) -- that would further eliminate backlogs, streamline processes, and reduce unnecessary regulatory burdens. The Report concluded that, while the Commission had made significant strides in reforming its structure and processes, it could still do more.

6. In September of 1995, with the assistance of the Office of Managing Director, each Bureau developed individual customer service standards consistent with National Performance Review (NPR)<sup>3</sup> provisions. The standards were finalized and published and are available to employees, our regulatees, the public, and the media. A final report will be filed with NPR later this year; however, we would like to take this opportunity to solicit some initial comments on this initiative. We seek comment on whether the Bureaus are achieving their stated goals and do the published standards, in fact, reflect the issues of most concern to the various interested parties?

7. In the spirit of our continuing efforts to improve the methods we use for processing

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<sup>2</sup> "Report on Creating an FCC for the Information Age" from the Special Counsel to the FCC on Reinventing Government. Public Notice 51978; 2/2/95.

<sup>3</sup> Vice President Al Gore, Report of the National Performance Review, From Red Tape to Results: Creating a Government That Works Better and Costs Less (1993).

documents and streamlining our rules and procedures, we wish to take stock and go beyond previous efforts. Specifically, this Notice seeks wide industry and public input over the entire range of Commission practices and procedures. We ask which procedures or rules can be eliminated and how those that remain can be made more efficient.

### III. DISCUSSION

8. In the following sections, we describe, in a summary fashion, Bureau and Office accomplishments that we hope will serve as models for the kinds of reform we seek. We also present a few tentative ideas for further improvements. We not only seek comment on our own ideas; more importantly, we want to hear the ideas of the public we serve. For convenience, the discussion here is organized by Bureau and Office. We recognize that Commission-wide reforms also may be desirable, and we encourage suggestions for those as well.

9. The Commission's goals are to eliminate redundancy, reduce waste, privatize where warranted, consolidate and automate for efficiency, and expand the use of alternative rulemaking mechanisms. Specifically, we seek comment on the following questions:

- Which Commission procedures or processing functions could be eliminated entirely consistent with our responsibilities under the Communications Act?
- How could the Commission reduce the quantity of paperwork required of regulated entities?
- Are there procedures or functions that could be privatized or "outsourced"? (For example, it has been proposed that the procedures for requesting new and changed call letters in the Mass Media Bureau be privatized by contracting out the responsibility for maintaining the list of available call signs and processing call sign requests.)
- Are there areas where private party self certification or self regulating organizations (SROs) overseen by the Commission, might replace advance Commission review and approval?
- Would consolidation of Bureau and Office "front end" licensing or renewal processing be feasible and efficient? (For example, should all forms and applications be routed through a single location for initial processing and/or database input?)
- In what ways can computer technology, electronic filing, and the Internet be used to improve processing? (For example, should the Commission allow parties to file comments via the Internet, on diskette, or require parties to include electronic mail or Internet addresses with their filings?)
- How should the Commission expand its use of negotiated rulemakings, alternative

dispute resolution, public meetings, forums, and roundtables?

- What area(s) of Commission operations have serious problems with processing delays that result in significant unnecessary costs or other adverse impacts on regulated entities? What are some specific suggestions for alleviating such processing problems?
- Do the Bureaus and Offices provide sufficient, meaningful, and useful information, in a timely fashion, concerning the status of applications, forms and other filings? How can we improve delivery of status information to the public?
- How can we better meet customer service standards and goals?

### **A. WIRELESS TELECOMMUNICATIONS BUREAU**

10. The Wireless Telecommunications Bureau (WTB) was established in December 1994 in recognition of the growing importance of wireless telecommunications to our nation's communications infrastructure. Wireless communications services include cellular services, paging, personal communications services (PCS), and other commercial, private and public safety radio services. A primary objective of the Wireless Bureau is to improve its processes to provide better services to our customers. Since its formation, the Bureau has taken a number of steps to meet this goal.

#### **Bureau Activities**

11. The Wireless Bureau has already taken a number of actions to become more efficient and to automate. First, it has aggressively pursued spectrum auctions as a fast, fair and efficient mechanism to issue radio licenses to the party that values them most highly and is therefore most likely to deliver service to the public expeditiously. As of February 1, 1996, the Commission has completed five spectrum auctions which have raised nearly \$10 billion for the U.S. Treasury. Currently, there are three auctions underway that have raised in excess of \$5 billion. Licenses won at auction have been issued in an average of four months. In contrast, due to delays, in part, from petitions to deny, cellular licenses issued through lottery were granted in approximately 14 months, and cellular licenses granted through comparative hearings were issued in approximately four years.

12. Second, the Wireless Bureau has redesigned computer software used to analyze requests for authorizations to improve efficiency and service. A major improvement is the ability to "auto-grant" authorizations for several services<sup>4</sup>. Auto-granting allows applications

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<sup>4</sup> For example, in the amateur radio service the ability to auto-grant electronically filed applications has eliminated the need for manual review of applications and reduced the

that have passed certain baseline criteria to be granted without staff intervention. In many cases, authorizations are granted the day after the application has been received. Auto-granting will become part of all processing software used by the Wireless Bureau in the next 12 months.

13. Third, the Wireless Bureau has also implemented electronic filing for applications submitted in the Amateur Radio Service. Electronic filing allows the Bureau to eliminate manual entry of application data, saving staff resources and reducing processing time. Electronic filing reduced processing time from an average of 75 days to next day service for virtually all electronically filed applications. Based on this success, electronic filing is being expanded to all wireless services.

14. Fourth, the Wireless Bureau has instituted new policies designed to increase communication between Bureau staff and the public. For example, the Wireless Bureau hosts informal lunches on a regular basis that are geared toward responding to industry questions and concerns. The Wireless Bureau has also instituted a policy of contacting applicants by telephone or fax whenever additional information is needed rather than returning the application. These contacts, along with streamlined procedures, have reduced processing time for maritime coast station applications from an average of over 100 days to approximately 35 days. Additionally, in the first quarter of 1996, the Bureau is establishing a new computerized telephone system. This state-of-the-art telephone system will make it easier for customers to contact Bureau staff, save staff resources, and provide more effective service to callers.

15. Fifth, the Bureau is also enhancing public access to its licensing data to make information easier and less expensive to access. During 1996, the Bureau will make available all of its authorization databases in a "real-time" environment through a wide-area communications network, the same infrastructure used to improve telephone services for the Bureau.

16. Finally, the Commission has adopted new rules<sup>5</sup> proposed by the Bureau that

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average processing time for these applications from 75 days to overnight. In addition, the Commercial Wireless Division plans to use the auto-grant process for Federal Aviation Administration (FAA) screening, National Environmental Protection Act (NEPA) screening, Mexican and Canadian border coordination, and engineering analysis.

<sup>5</sup> See, e.g., Replacement of Part 90 by Part 88 to Revise the Private Land Mobile Radio Services and Modify the Policies Governing Them and Examination of Exclusivity and Frequency Assignment Policies of the Private Land Mobile Radio Services, PR Docket No. 92-235, *Report and Order and Further Notice of Proposed Rule Making*, FCC No. 95-255;

resolve numerous technical issues that have inhibited the use of efficient technologies. Previous rules inhibited users from installing the most advanced, spectrally efficient land-mobile equipment. New rules create a framework for technology choices that is flexible and technology-neutral. As a related matter, the Wireless Bureau has increased the use of public advisory committees and negotiated rulemaking<sup>6</sup> proceedings, which are likely to result in new rules that better reflect the changing needs of evolving wireless industries. Rules adopted through this process are adopted more quickly and efficiently than rules adopted through informal rulemaking proceedings.

### **Additional Proposals**

17. The Commission seeks to build upon these efforts and continue to provide better service to the American public. Therefore, we seek comments and suggestions on further steps the Wireless Bureau can take to improve its processes. For example, what Wireless Bureau processes, including licensing, need improvement? What processes do the Wireless Bureau perform that are unnecessary or redundant? Does the Bureau have redundant processes that can be combined? Can the Bureau eliminate specific licensing processes or functions? What sections of the Commission's rules impose overly burdensome, repetitive, or irrelevant requirements on industry? How should these rules be restructured to reflect more accurately the information needs of the Commission without imposing an unnecessary regulatory burden on licensees? How can we make the licensing process faster, less expensive and more effective?

18. The Bureau also may consider privatizing certain processes, including licensing, to organizations that have the ability to perform processes at lower cost, faster and more effectively than the Wireless Bureau. Which processes should the Commission privatize? What are the advantages and disadvantages of privatizing such processes? Should the Wireless Bureau privatize any of its licensing processes? Which ones? What are the specific advantages to outsourcing or privatizing? What are the cost and efficiency savings? Are there any legal hurdles to privatizing? What is the most effective method to implement outsourcing or privatization?

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Implementation of Sections 3(n) and 332 of the Communications Act, Regulatory Treatment of Mobile Services, GN Docket No. 93-252, *Third Report and Order*, 9 FCC Rcd 7988 (1994); Revision of Part 22 of the Commission's Rules Governing the Public Mobile Services, CC Docket No. 92-115, *Report and Order*, 9 FCC Rcd 6513 (1994).

<sup>6</sup> For example, the Public Safety Wireless Advisory Committee is a joint effort with the FCC, NTIA, and industry to resolve public safety communications needs. Additionally, the LMDS, FSS 28 GHz Band Negotiated Rulemaking Committee is addressing communications needs in this spectrum band.

19. In addition, the Bureau is interested in gathering and disseminating the most useful information about the wireless industry. What are the best sources of information for the Bureau? What specific information can the Bureau provide to industry that would be most helpful? Also, because state and local governments as well as consumers are interested in wireless proceedings, we seek comment on steps that the Wireless Bureau should take to ensure that consumers and state and local governments have sufficient opportunity to participate in these proceedings. For example, should the Bureau establish "outreach" programs and procedures tailored to provide consumer groups and state and local governments with specific information about rulemakings and other proceedings that could affect the provision of wireless services? What types of programs and procedures should be established? What steps could the Commission or Bureau take to identify consumer groups and state and local governmental agencies that would be interested in receiving such information and participating in Commission proceedings relating to wireless services? To what extent could the Commission or the Bureau utilize the Internet for purposes of disseminating such information? Should the Commission consider developing rules and procedures (in addition to the dissemination of information) specifically designed to encourage participation by consumer groups and state and local governments? If so, what types of rules and procedures should be developed?

20. We request comment and suggestions concerning these issues. We also welcome recommendations for other actions that would increase the efficiency of regulation and that would otherwise improve the Bureau's service to the public.

## **B. COMMON CARRIER BUREAU**

21. The Common Carrier Bureau (CCB or Bureau) has undertaken an examination of its internal processes and procedures in order to identify ways that CCB can become more efficient, better meet the Commission's regulatory goals, and best implement the objectives of the National Performance Review. The Bureau has taken a number of steps as a result of this examination and additional steps are planned that will significantly improve CCB's ability to administer regulatory programs and policies established by the Commission governing common carriers.

### **Bureau Activities**

22. The Bureau has begun an initiative to improve service to the public, reaching out to industry and consumers to increase the involvement of affected parties in its rulemaking process. In an effort to make the Bureau more accessible at all levels, and to seek suggestions about ways to improve its internal procedures, the Bureau has opened its doors with a series of public roundtable discussions held at the Bureau and Division levels. The Bureau also has sought input through formal public notices, public discussions, and industry meetings.



23. As a result of these discussions, the Bureau implemented a series of changes, including a program of customer service standards designed to assure that the public receive prompt and effective service from the Bureau; a policy of meeting with carriers before new services are introduced to try to identify and resolve potential problems; a commitment to making more information available on line, including the Bureau's own Internet home page; and an effort to improve and speed up complaint resolution.

24. The Bureau has also undertaken a number of initiatives to streamline its filing processes and to eliminate unneeded reports. The Bureau sought comment on eliminating certain filing requirements established by the AT&T divestiture.<sup>7</sup> Last spring, the Bureau issued guidelines intended to streamline the process for Section 214/video dialtone applications and study area waivers.<sup>8</sup> In August, as a first step in its ongoing comprehensive review of all reporting requirements imposed on common carriers, the Bureau eliminated and, additionally, reduced the amount of information collected for a number of reports.<sup>9</sup> Commission action, however, is required to modify or eliminate most reporting requirements.

25. Consistent with the goal of eliminating unnecessary regulation, last fall, the Commission reclassified AT&T Corporation (AT&T) as a non-dominant interexchange carrier for domestic purposes.<sup>10</sup> As a non-dominant carrier, AT&T will be subject to the same regulations as its long-distance competitors and will have greater incentives to reduce its prices and offer innovative new services. More specifically, as a result of being reclassified, AT&T will no longer be subject to price cap regulation and will be able to file tariffs that are presumed lawful on one day's notice, like other non-dominant carriers. The Commission's action will expedite the delivery of new services to consumers.

26. The Bureau used a negotiated rulemaking proceeding to develop recommendations for new rules to make all wireline telephones in the workplace and in hotels and motels hearing aid compatible. The Hearing Aid Compatibility Negotiated

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<sup>7</sup> Common Carrier Bureau Solicits Comments on Elimination of Divestiture Reports, Report No. CC 9534, released June 14, 1995.

<sup>8</sup> Common Carrier Bureau Provides Guidance on Video Dialtone Applications, Report No. CC 95-18, March 10, 1995.

<sup>9</sup> Common Carrier Bureau Eliminates and Reduces Reporting Requirements, Report No. 55228, released August 10, 1995.

<sup>10</sup> Motion of AT&T Corp to be Reclassified as a Non-Dominant Carrier. Memorandum, Opinion, and Order, FCC 95-427, released Oct. 23, 1995.

Rulemaking Committee included employer, health care, and hotel/motel representatives, as well as representatives from the disability community and telephone equipment manufacturers. The Committee deliberated only two months to reach full consensus on its recommendation. The Commission then formally proposed these recommendations for adoption.<sup>11</sup>

27. Finally, at the request of industry, the Common Carrier Bureau has implemented a plan to smooth the transition to the new toll free area code "888." The Bureau has held regular meetings with the industry to ensure that deployment of the new database happens as quickly as possible. CCB's efforts advanced the deployment of this database by one full month and will ensure a smooth transition from "800" toll free numbers to "888" toll free numbers without complete exhaustion of the "800" area code. The Bureau has also organized an informal joint federal-state-industry committee to plan a voluntary, coordinated outreach campaign targeting the media and the business community to ensure that subscribers understand the use of new, interchangeable area codes (those with a middle number other than a "0" or "1").

### **Additional Proposals**

28. The Bureau seeks ideas to implement a number of planned improvements including: releasing public information more efficiently and quickly, responding within certain deadlines to various rulemaking processes, adopting a system to log information received from the public, streamlining various forms, providing the public with more efficient and helpful telephone customer service, and processing complaints more effectively. We seek comment generally on possible ways to improve our internal processes. In particular, we seek suggestions on ways to make greater use of the negotiated rulemaking process to establish common carrier rules and policies.

29. CCB is also planning to establish a public information office that could serve as the "front door" for the Bureau. The office would be strategically located to serve as the initial contact point for visitors to the Bureau and would provide information and assistance to the public. The office would maintain copies of common carrier industry analysis reports, news releases, and common carrier orders, and would additionally serve as the public reference room for major non-docketed proceedings. This office could further our goals of providing efficient and quality service to the public. We solicit comment on this proposal and ways to make it more useful to consumers and industry.

30. We seek comment on the continued use of public forums and industry meetings

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<sup>11</sup> Access to Telecommunications Equipment and Services by Persons with Disabilities. Notice of Proposed Rulemaking, FCC 95-474, released Nov. 28, 1995.

as a part of the Bureau's regulatory processes and solicit suggestions for discussion of other issues that may benefit from a public meeting. We seek comment on our data collection methods and specifically seek comment on form design, substance and the amount of information collected. We also seek comment on whether there are other regulatory actions concerning regulation of common carriers that the Commission could take to reduce regulatory burdens, encourage innovation, and facilitate delivery of new services to consumers.

31. We request comment and suggestions on ways to build on the successes of the Common Carrier Bureau. We also welcome recommendations for other actions that would increase the efficiency of common carrier regulation and otherwise improve the effectiveness of the Bureau's service to the public.

### **C. COMPLIANCE AND INFORMATION BUREAU**

32. The Compliance and Information Bureau (CIB) is the first bureau to review completely its operations in light of principles outlined in the National Performance Review and to have been reorganized as a result. The Commission has adopted a plan to restructure the Compliance and Information Bureau's field offices that will improve operations and achieve significant cost savings.

#### **Bureau Activities**

33. The Commission's high frequency long-range direction-finding net will be made more efficient. New direction-finders, using new, sophisticated techniques have been developed by CIB. These will allow all stations in the net to be controlled from one remote point. Staff resources can then be reassigned to other important bureau functions.

34. The Bureau is working to establish a new, centralized FCC Call Center, which for the first time, will allow the public to call one toll-free number from any U.S. location and reach the FCC for information or to report complaints. The Call Center will provide this service more efficiently and effectively, employing the latest computer technology.

35. CIB had requested changes in the Commission's Rules and the Communications Act that would allow private entities to perform inspections of ship radio installations as required by statute or treaty. In April, the Commission issued a Notice of Proposed Rulemaking to consider permitting private sector organizations to conduct inspections on vessels subject to the Great Lakes Agreement (The Agreement between Canada and the United States for Promotion of Safety on the Great Lakes by Means of Radio).<sup>12</sup> While the

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<sup>12</sup> 10 FCC Rcd 5418-5423 (1995).

proposal would reduce costs to the public and the government, it would also maintain safety on the Great Lakes. A companion item recommended to Congress, by the Commission at CIB's suggestion, involved U.S. vessels on international voyages.<sup>13</sup> New rules for ships that voyage internationally or ply coastal waterways required changes to the Communications Act. The Communications Act of 1996 made these changes.<sup>14</sup> The Bureau will recommend for adoption a Notice of Proposed Rulemaking to privatize these inspections. These changes should improve inspection service to the maritime industry, reduce Commission staff involvement and travel expenses, and create private sector jobs.

36. CIB has begun an alternative broadcast inspection program to promote compliance with technical regulations by broadcast stations, while reducing Commission involvement. The program allows private entities to perform inspections of broadcast stations and certify compliance with technical rules, obviating the need for random inspections by Commission staff and freeing them to focus on problem areas.

37. The Bureau has taken steps to privatize handling of interference complaints. In the past, the Bureau has found it difficult, in light of limited resources, to respond to all individuals seeking assistance in interference resolution. CIB has carefully examined areas through which the public might be better served by the private sector. A pilot project to involve private sector entities in resolution of interference to home electronic equipment has been completed. This project, along with careful analysis, has persuaded us that Commission intervention in cases involving consumer electronics actually delays resolution. The Bureau, therefore, is preparing a proposal to privatize resolution of complaints of interference to home electronic equipment. This change allows CIB to focus on interference to safety radio services and to assist in resolving interference to common carrier, land mobile, and broadcast services. It also will provide consumer electronic users with better service and will make more effective use of Commission staff, maximizing the benefit to all communications systems.

38. CIB has begun a systematic review of the rules it enforces in order to make recommendations for elimination or modification of those rules. Some recommendations have already been made; others will be forthcoming.

### **Additional Proposals**

39. We request comments and suggestions for refinement of these Compliance and Information Bureau initiatives. We also welcome recommendations through which the

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<sup>13</sup> 10 FCC Rcd 5424-5427 (1995).

<sup>14</sup> Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996).

Bureau may improve the Commission's regulatory processes, perform public outreach, and provide better service to the public.

#### **D. INTERNATIONAL BUREAU**

40. The International Bureau was created in October 1994, consolidating functions that were previously scattered across the Commission. The primary purpose for the consolidation was to harmonize and streamline the Commission's policies for international and satellite services. Working with industry, consumers, and the Bar, the Bureau has taken numerous steps to accomplish this goal.

##### **Bureau Activities**

41. The Bureau has opened a new International Reference Center which, for the first time, offers the convenience of "one-stop shopping" to researchers, industry and the public for all FCC-related international satellite documents. The Bureau has placed International Bureau releases, public notices, and authorizations on the Internet and world wide web site. It has established regular round table and "brown bag" briefing meetings with the industry to ask their input in further reforming processes. The Bureau has also cosponsored, with the International Telecommunication Union (ITU), a USA Radiocommunication Satellite Seminar to educate U.S. industries on FCC and ITU processes and to open a dialog about proposed changes to these processes.

42. The International Bureau has reduced processing time for unopposed, non-controversial international Section 214 applications to under 30 days after the public notice comment period. The Bureau has also increased the frequency of public notices for Section 214 applications from one to two per week, thus improving the Bureau's ability to act expeditiously on applications. At the same time, the Bureau has established expedited procedures for approval of Section 214 *pro forma* transfer of control and assignment applications, licenses, and Special Temporary Authorization requests.

43. The Bureau has eliminated the backlog of 700 satellite earth station applications and reduced the average length of time for the processing satellite earth station applications from 385 days to 60 days. Many of these applications had been pending anywhere from 3 to 8 years.

44. The Bureau has provided industry with the right to an immediate status conference for all applications that have not been acted upon within six months. It has implemented status conferences on all contested matters where they might lead to an early resolution of disputed issues.

45. The Bureau has initiated various other actions to reduce regulatory and filing

requirements. It has increased use of Section 319(d) waiver procedures to permit a firm to decide for itself (and at its own risk) whether to invest in satellite construction pending action on licensing applications and has eliminated the redundant filing of radiation hazard studies.

46. In January, the Commission adopted an Order that removed regulatory barriers and made it easier for U.S. licensees, who are international satellite operators, to provide domestic service and for domestic operators to provide service to foreign countries<sup>15</sup>. An NPRM is forthcoming from the Bureau that will propose policies for non-U.S. satellite licensees to serve the U.S. market. On August 9, 1995 the Commission adopted rules to change the semiannual circuit status report filing to an annual filing submitted by carriers through electronic means<sup>16</sup> and the Bureau is currently preparing a Manual for Filing Circuit Status for release shortly.

### **Additional Proposals**

47. The International Bureau has proposed, to the Commission, new satellite rules<sup>17</sup> that would eliminate application and reporting requirements; waive the need for a construction permit for space stations; eliminate the four-year implementation period and the annual reporting requirements for very small aperture terminal (VSAT) systems; eliminate redundant reporting, application, and licensing requirements for earth and space stations; and allow earth station operators to make minor technical modifications and operate in inclined orbits without prior Commission authorization. Other reporting requirements would be reduced by increasing the license term for temporary fixed earth stations operating in the C-band from one year to ten years and by simplifying the earth and space station application process by consolidating four current forms into one form.

48. The Commission will soon issue a Report and Order that will completely rewrite the Commission's rules on international Section 214 authorizations<sup>18</sup>. The new rules eliminate individual country authorizations, and eliminate redundant reporting, application, and licensing requirements for international Section 214 and cable landing licensees. These new rules simplify the notification requirement for carriers that discontinue, reduce, or restrict service to countries with alternative sources of service. They would also streamline further the tariff requirements on international non-dominant resale and facilities-based carriers by permitting them to file their rates on one-day notice.

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<sup>15</sup> FCC 96-14, released January 22, 1996.

<sup>16</sup> CC Docket 93-157; 10 FCC RCD 8605.

<sup>17</sup> IB Docket 95-117.

<sup>18</sup> IB Docket 95-118.

49. The International Bureau has plans for additional actions to improve service and provide information to the public. Planned efforts include developing a list of all pending matters, posting new phone numbers in as many locations as possible (*e.g.*, public notices, Internet, reference rooms), investigating development of a bulletin board system (BBS) or Internet address for comment and suggestions to the Bureau, developing an easy-to-use instructional manual for applications, and developing a functional listing directory with phone and electronic mail addresses.

50. Planned improvements in regulatory processes include instituting a "permissible change" rule for earth stations, which would allow applicants to make certain changes by merely notifying the Commission. The Bureau also plans to develop a grant stamp for routine, uncontested, space station applications and other categories of earth station applications that now require written orders, as well as for all properly justified Special Temporary Authorizations. The Bureau intends to work to make reporting requirements consistent with most industry calendar years. Looking further into the future, the Bureau plans to establish a team to look at the rule making process and to make recommendations for process change.

51. We request comment and suggestions concerning these International Bureau initiatives. We also welcome recommendations for other actions that would streamline the regulatory process and otherwise improve the Bureau's service to the public. In particular, we seek comment on whether the Bureau's application forms or other data collection instruments can be further modified to streamline or otherwise expedite processing.

## **E. MASS MEDIA BUREAU**

52. In recent months, the Mass Media Bureau (MMB or Bureau) has taken action to improve its processes. The Bureau has flattened its organizational structure in an effort to streamline its operations, reduce levels of review, and improve speed of service. For example, the Divisions have implemented a policy to screen incoming petitions to deny and informal objections immediately upon receipt and reject those which do not meet procedural requirements or are frivolous.

### **Bureau Activities**

53. The Video Services Division, in connection with the transfer in 1994 of the Multipoint and/or Multichannel Distribution Service (MDS) function to the Bureau, formulated a new organizational structure that features multidisciplinary, collaborative work teams under the immediate guidance of a sole management-level official. As of October 1, 1995, the reorganized MDS staff was able to reduce by 72 percent the number of pending applications and cases. Finally, through a realignment of personnel resources, the Division has eliminated the backlog of non-routine TV sales applications, while simultaneously

disposing of a number of broadcast and mass media service mergers and acquisitions.

54. The Audio and Video Services Divisions have shortened their decision documents by eliminating long, detailed recitations of background and non-decisional facts. This new practice has significantly reduced the amount of review and editing time. The Audio Services Division also carried out a major reorganization that streamlined its operations, reduced levels of review and improved speed of service. The redesign more evenly distributes staff resources and increases efficiency by allowing the senior staff more time to concentrate on the contested cases and appeals. Since implementation of these procedures, the Division has eliminated the backlog of non-routine sales applications, maintained a sixty-day speed of service on a large volume of routine cases, and reduced its backlog of non-sales appeals by approximately 40 percent. The speed of service for FM license applications has been reduced to ninety days from ten months, due in part, to streamlined forms and instructions.

55. The Bureau is also in the process of flattening the Enforcement Division organizational structure by reducing the number of branches from four to two, which will reduce the amount of management level review, encourage peer review and staff cross-training, thus improving response time to the public.

56. Additional initiatives implemented by the Commission, at the Bureau's suggestion, include adopting a competitive bidding system to distribute unused MDS spectrum; establishing electronic filing procedures for MDS and establishing revised processing standards utilizing computerized interference studies for MDS; redesigning the Instructional Television Fixed Service (ITFS) application filing procedure to make it more efficient and effective; establishing a Customer Service Team in the Audio Services Division to upgrade the quality and efficiency of the Division's public information dissemination; consolidation of all radio license renewal forms, information, helpful tips and worksheets in a convenient packet; designing a new computerized application processing and tracking system for processing radio renewal applications; and increased delegation of authority to the Bureau to act on requests for temporary waivers of the radio contour overlap rule and on uncontested one-to-a-market cases that involve stations in the top 100 television markets, where no new or novel issues are presented.

### **Additional Proposals**

57. The MMB has begun an internal review process and has identified several areas that could benefit from change. Possibilities for streamlining include: reducing filing requirements for certain small stations, developing a short form application for simple engineering matters, eliminating the requirement for FCC approval of certain facility changes, requiring filing of broadcast ownership reports on a less frequent basis, and eliminating the filing of a separate license application for FM translator/booster permits by



making the licenses self-effectuating. The Bureau is recommending revision of the rules to provide a longer period of time to construct radio and television stations and restrict extensions of time to construct to exact, predefined circumstances. These changes would significantly reduce the volume of extension requests routinely received by the Bureau and would eliminate the need to prepare rulings granting or denying such requests, which are frequently appealed to the Commission.

58. The Bureau also plans to expand electronic initiatives for serving the public, which will result in more efficient processing and will make more information available on-line. Initial steps have been taken to consolidate and move all MMB databases and tracking systems to a more modern and efficient system using contemporary database management hardware and software. We request comment as to whether the broadcast industry and/or its representatives would like to participate in the development of these electronic systems.

59. Additionally, the Bureau plans to design and implement an electronic filing process for construction permits, licenses, and license renewals, as well as making application forms and databases available electronically. The Bureau would like input as to whether the electronic filing processes in the broadcast services should be optional or mandatory. The Bureau also plans to place more information and forms on Internet and the world wide web. MMB is exploring ways to further its use of technologies such as the Internet, Bulletin Board Systems (BBS), and "Fax On Demand" to communicate with complainants and licensees, provide publications, and allow applicants/licensees to monitor the status of their applications in the processing queue.

60. To streamline the broadcast call sign function, the Bureau is considering whether to develop an electronic Smart System for the assignment of call signs that will allow licensees to dial in, determine call sign availability, and reserve the desired available call sign for a specified number of days. Alternatively, the Bureau is also considering a proposal to outsource all broadcast call sign functions, including maintenance of the call sign database and processing call sign requests.

61. Internally, the MMB database consolidation and enhancement project will link databases to provide universal access and retrieval to users, providing seamless integration of MMB data with other FCC automated systems and eliminating redundant data entry. The modernized system through the use of document scanners and computerized processing, will also eliminate manual data entry and processing for certain routine applications. The Bureau also plans to incorporate as an integral part of the new MMB information system, an automated method of tracking broadcast licenses during the renewal process, as well as to establish an address database for broadcast licensees to update electronically their address information as it changes. We would like comment on these proposals and any new proposals that take advantage of information technology to improve the MMB's processes.

62. The Commission would welcome comments on which procedures, if any, could be eliminated, performed by an independent third party, or simplified. We seek suggestions for reducing the quantity of documents and data submitted in any form and content. We also seeks comment on the design, substance, and amount of information collected through specific forms, questionnaires and applications.

63. We request comment and suggestions concerning these Mass Media Bureau initiatives. We also welcome recommendations for other actions that would increase the efficiency of regulation of the mass media and that would increase the speed and otherwise improve the Bureau's service to the public.

## **F. OFFICE OF ENGINEERING AND TECHNOLOGY**

### **Office Activities**

64. Over the past several years, the Commission has taken several actions to expedite and otherwise improve the Office of Engineering and Technology's (OET or Office) equipment authorization process, which is designed to ensure that radio transmitters and electronic equipment comply with FCC technical standards. Most notably, we have proposed to replace the certification requirement for personal computers and personal computer peripherals with a new authorization process based on manufacturer self-declaration of compliance with FCC standards. This action would reduce the overall number of applications for equipment authorization from 7000 to approximately 3000 annually. The Office has also taken a variety of additional steps to improve customer service, including improving its on-line data base information.

65. An experimental license is an authorization under the FCC's Experimental Radio Service (Part 5 of the rules) that provides the opportunity to experiment with new techniques or new services related to a use of radio spectrum. To obtain an experimental license, an applicant must file FCC Form 442. The Experimental Licensing Branch has made several improvements to the experimental licensing process in recent months that make use of the Internet and computer software to develop, coordinate, and better its procedures.

### **Additional Proposals**

66. Under the provisions of Part 5 of the Commission's Rules, OET administers the Experimental Radio Service, which allows simplified applications and rapid processing of requests for small scale technical experiments involving radio technology that do not establish permanent policy precedents. OET, in consultation with CCB and CSB, is exploring the application of this concept to technical experiments involving non radio technology subject to regulation under Titles II and VI of the Act. Such an initiative would allow a single simplified application for all the approvals needed for a small scale experiment using any

communication technology that is not explicitly prohibited by statute. However, the approval of such an application would not constitute a policy change just as experimental radio licenses do not constitute policy changes, which can only be accomplished through normal due process. We invite comments on such an approach and on whether public notice of such applications would be necessary.

67. We invite broad comment on ways we can further improve our equipment authorization requirements and processes. As a starting point, we invite comment regarding whether the Commission should permit certain equipment that currently must be authorized to be sold or imported based only on declarations of compliance by the manufacturer or importer. For example, microwave ovens, video cassette recorders, home video games, and communications receivers all currently require FCC equipment authorization, yet such equipment has a relatively good record of compliance with our standards.

68. We seek comment on what measures would be appropriate to ensure that equipment will continue to comply with FCC technical requirements if the Commission were to shift more equipment to manufacturer self-declaration of compliance. For example, should the Commission require that test results be made available to the Commission upon request and that test laboratories be accredited to ensure the reliability of the test results? Should we require manufacturers to periodically provide lists of the equipment they have approved in order to facilitate oversight? We invite comment on this approach as well as on other ways in which the rules pertaining to equipment authorization might be consolidated and simplified.

69. OET is participating in negotiations between the United States and foreign governments to reach mutual recognition agreements (MRAs) that could streamline product approval processes worldwide and improve the access of U. S. telecommunications and electronic products to world markets. Based on these negotiations, we understand that the United States' trading partners would like to be able to approve their own equipment for direct access to the U.S. market. Specifically, they desire to allow entities in their regions or countries to approve equipment without the need for submittal of an application to the FCC with reciprocal privileges for the United States. We invite comment on the general desirability of such MRAs and how we should conduct our authorization processes under such agreements.

70. Another way of speeding up processing would be to adopt an electronic filing system. While the Office has taken some initial steps toward electronic filing of equipment authorization applications, implementation of such a process has been delayed due to insufficient funds. In this regard, we invite comment as to industry interest in participating in the development of an electronic filing system.

71. To improve application processing, the Experimental Licensing Branch plans to

develop guidelines for routine approval of experiments in certain frequency bands or services; negotiate a more efficient coordination system with the National Telecommunications and Information Administration (NTIA); and replace outdated application tracking and licensing systems with one that uses the latest FCC database management software.

72. We request comment on the above plans for improvements in processing, licensing and other procedures. We seek suggestions for improving our data collection methods, including form design, substance and the amount of information collected. Finally, we solicit comment on any other steps that could improve service to the public.

### **G. CABLE SERVICES BUREAU**

73. The 1992 Cable Act<sup>19</sup> required the Commission to adopt and implement rate regulations to be applied both federally and locally to some 11,000 cable systems operating in over 30,000 communities and to complete the initial phase of implementation within a 180 day period following enactment. At the same time, the Act required the Commission to initiate an additional 15 proceedings. In order to effectuate and expedite these obligations, the Commission created the Cable Services Bureau. The Bureau has continuously refined and streamlined its rules and procedures to simplify processes, afford system operators flexibility, and reduce administrative burdens on local regulatory authorities. We seek comment on additional improvements and modifications to processes in order to improve efficiency and provide more effective service to the public and the industry.

#### **Bureau Activities**

74. The Bureau has developed internal customer service initiatives that involve both front-line staff and upper-level management. These initiatives exceed published customer service standards to increase the efficiency of internal and external CSB operations.

75. The Bureau has made great efforts in outreach and education to its primary customers -- cable subscribers, cable operators, state and local governments, and Members of Congress. The recently created Office of Government and Public Outreach is developing a comprehensive outreach program to increase informed participation in rulemaking process by local franchising authorities (LFAs) and other interested parties. The Office will be working with LFAs on the implementation of FCC regulations and other Communications Act regulatory responsibilities at the local level. CSB is also working to improve communication and understanding between the FCC, cable regulators, and the cable industry.

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<sup>19</sup> Cable Television Consumer Protection and Competition Act, Pub. L. No. 102-385, 106 Stat. 1460 (1992), 47 U.S.C. Section 534 (1992).

76. National, state, and local trade associations assist with the distribution of CSB released information. In addition, the Bureau has established a two-tier system of front line contact representatives and subject matter experts to assist and answer the inquiries of cable operators, LFAs, and the general public.

77. In the past year, the Commission also has taken a number of steps to streamline the regulatory process for smaller cable companies, while at the same time giving them greater flexibility to establish rates reflecting their own cost characteristics.

78. The Commission has used innovative rate resolution agreements negotiated between the Commission and cable operators to resolve thousands of pending cable programming services rates complaints. These settlement options have saved the companies and taxpayers money by ending the back and forth of formal legal adjudication, and provided a speedier resolution of complaints for consumers.

#### **Additional Proposals**

79. The Commission seeks comment on the privatization of electronic forms development. Such a plan would not only remove the Bureau from the software development and support business, but would also allow for customization, compatibility, and flexibility for operators. With additional resources, the Bureau could explore options to automate further the rate filing process.

80. The Commission also seeks comment on the Bureau's data collection tools: can their design be refined or modified to reduce the burden on regulatees? We request comment and suggestions concerning these Cable Services Bureau initiatives. We also welcome recommendations for further procedural and processing actions that would increase the speed and efficiency of regulation of the cable industry, reduce costly or cumbersome rules, and otherwise improve the Bureau's service to the public.

81. We seek comment on additional ways to improve service, including the expanded use of seminars, videotapes, and other training materials to educate operators and local franchise authorities; improvement of in-house databases that track complaints, cases, and files, which could result in significant savings of staff and customer time, making the Bureau's databases available to the public either through the Internet or its public reference room.

#### **IV. PROCEDURAL MATTERS AND ORDERING CLAUSE**

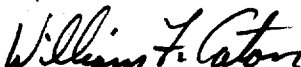
82. This proceeding is exempt from *ex parte* restraints or disclosure requirements, as provided in Section 1.1204 (a)(4) of our rules.

83. Interested parties must file initial comments on or before Friday, March 15, 1996 and reply comments on or before Friday, March 29, 1996. To file formally in this proceeding, interested parties must file an original and four copies of all comments. If interested parties want each Commissioner to receive a personal copy of their comments, they must file an original plus nine copies.

84. Interested parties should send comments to: Office of the Secretary, Federal Communications Commission, Washington, D.C. 20554. Parties should also file one copy of any documents filed in this docket with the Commission's copy contractor, International Transcription Services, Room 246, 1919 M Street, N.W., Washington, D.C. 20554. Comments will be available for public inspection during regular business hours in the FCC Reference Center (Room 239) of the Federal Communications Commission, 1919 M Street, N.W., Washington, D.C. 20554. For further information, contact Donnajean Ward at (202) 418-2051.

85. Accordingly, IT IS ORDERED that, pursuant to our authority under the Communications Act of 1934, 47 U.S.C. § 4(i), and §403, an inquiry IS COMMENCED concerning possible proposals for reforming Commission rules and practices to better serve our customers

FEDERAL COMMUNICATIONS COMMISSION

  
William F. Caton  
Acting Secretary